

NETCARE LIMITED

(Registration number 1996/008242/06)

JSE ordinary share code: NTC

ISIN: ZAE000011953

JSE preference share code: NTCP

ISIN: ZAE000081121

("Netcare")

UPDATE ON NETCARE'S OPERATIONS IN THE UNITED KINGDOM ("UK")

BMI Healthcare ("BMI"), the largest private hospital provider in the UK, is a wholly owned subsidiary of General Healthcare Group ("GHG"), an entity in which Netcare holds an effective 56.9% interest.

Netcare's annual financial statements for the year ended 30 September 2017 (the "Netcare 2017 AFS") described a decline in the financial performance of BMI over the course of fiscal year 2017 ("FY2017") primarily due to challenging trading conditions. The FY2017 financial performance meant that BMI's financing facilities needed to be amended. Netcare assisted BMI in negotiating an amendment. As part of these amended terms, Netcare proposed to invest an additional £20 million into BMI and provide credit support with respect to certain indebtedness of BMI. At the end of December 2017, and with the support of its lenders, BMI implemented a short-term arrangement without the need for Netcare to contribute any capital or provide any other credit support as outlined in the Netcare 2017 AFS. BMI continues to pursue a long-term financing agreement with its lenders, which remains a condition precedent to the transaction concluded in September 2017 for Netcare to acquire the GHG minority interests.

Netcare remains committed to BMI and is in discussions with its largest landlord ("Theatre PropCo") with an objective to agree a rent reduction transaction that would be beneficial to all parties and ensure a balanced sharing of the risk and potential return. However, further financial support from Netcare for BMI will remain subject to a resolution of the rent renegotiation transaction with Theatre PropCo.

Shareholders will be updated as this process evolves.

Johannesburg

18 January 2018

Sponsor

Deutsche Securities (SA) Proprietary Limited